

1 A No, I haven't.

2 Q -- or Carmella Sample herself? Is it your
3 perception based on your broadcast experience that if this --
4 if Sample Broadcasting is successful in this proceeding and
5 receives the construction permit to build the station, that
6 that station will be -- will compete with the Eddyville
7 station for, for listeners, for audience, for revenues?

8 A I imagine that it will compete somewhat.

9 Q Can you envision any manner in which it might make
10 the Eddyville station more valuable?

11 JUDGE FRYSIK: Well, I think you better ask him
12 whether he had already envisioned it rather than --

13 MR. WARD: Oh, whether he --

14 JUDGE FRYSIK: Could possibly envision.

15 MR. WARD: That's fine.

16 BY MR. WARD:

17 Q Did you envision in any way at the time that you
18 became involved in Sample Broadcasting LP, did you envision
19 any manner in which this would be a energized move or become
20 -- or make KKSI more valuable?

21 A No, I didn't.

22 Q Its only, only potential impact, if granted, is
23 competition? Correct?

24 A Slight -- I mean, competition, I don't know how
25 serious. There aren't any --

1 Q Well, you hope it's pretty serious because you're
2 investing \$300,000 in it, don't you?

3 A Well, it's -- the areas don't completely overlap,
4 the coverage areas.

5 Q Have you, have you looked at the two coverage areas?

6 A I did -- I know KKSI's coverage area and I have
7 glanced at the coverage area for the applicant.

8 Q Isn't it fair to say that the one mil coverage is
9 about 50 percent --

10 A I don't know. I haven't really put them on top of
11 each other.

12 Q The largest community within the one mil contour of
13 either station is Ottumwa? Correct?

14 A The largest community is Ottumwa, yes.

15 Q Isn't that a major -- the major retail center in
16 that part of Iowa?

17 A It's the biggest retail area in that part of Iowa.

18 Q Isn't that -- isn't it true that that's where,
19 that's where the bulk of the KKSI ad revenues come from?

20 A Today they happen to come from there, 50 percent or
21 more of that area. At the time of the application it was, it
22 was more like 30 percent or 25 percent or 30 percent,
23 somewhere in --

24 JUDGE FRYSIK: At the time of whose application?

25 WITNESS: Carmella's application.

1 BY MR. WARD:

2 Q Now, is it -- if Mr. Brown were successful and got
3 his -- his application were granted for whatever reasons, you
4 would expect that station when built to be competitive with
5 KKSI, would you not?

6 A Well, what do you mean competitive?

7 Q For the things that live broadcasts do, competitive
8 for audience, competitive for sales volume.

9 A I would expect that it would take some money from
10 some of the same sources that we take money, in that way
11 competing, but --

12 Q That sounds like competition to me. That is
13 competition.

14 A I agree it's competition.

15 Q Do you think there's more than enough competition in
16 Ottumwa already?

17 A Well, there's several stations in Ottumwa and, of
18 course, KKSI is an Eddyville station, but these days it's
19 doing about half of its business in Ottumwa.

20 Q Is it true that you're currently moving the -- let
21 me back up. In the past you've had initially a studio in
22 Oskaloosa? Correct?

23 A That is correct.

24 Q That was the main studio of KKSI?

25 A And most of our sales offices.

1 Q And then you opened a studio in Ottumwa? Correct?

2 A That's correct.

3 Q And it appears that you are currently
4 disestablishing the Oskaloosa studio?

5 A Well, we are downsizing in Oskaloosa. We have less
6 office space.

7 Q Moving more of your sales force to, to Ottumwa?

8 A That is correct.

9 Q Would you expect the value of KKSI as a marketable
10 property to be impacted by the grant of an Eldon station?

11 A I really hadn't thought about it. Do you want me to
12 think about it now?

13 Q Well, it depends on how long it would take you to
14 think about it. In that case you better ask the judge.

15 MR. MILLER: I don't think -- if he hasn't thought
16 about it previously, his thoughts are of any value to the --
17 subject to the issues that we're dealing with here.

18 JUDGE FRYSIK: Well, if that's an objection, I'll
19 sustain it.

20 BY MR. WARD:

21 Q Isn't it true that station KKSI is currently for
22 sale?

23 A That is true.

24 Q And that was, that was listed with a broker after
25 this, this -- after the Sample application was filed, was it

1 not?

2 A It was -- it's listed not in a normal broker
3 relationship. It's listed with a broker, I think, for about a
4 month now and it's just a small percentage, and it's just in
5 case some -- I guess the chances aren't very high of it being
6 sold, but we wanted to explore the possibility of selling it
7 and we were putting money into a different system in the
8 station and altering our location, and just to kind of check
9 the weather and then proceed with the situation.

10 Q When you say a small percentage, you mean the
11 commission that this particular broker would receive if he
12 finds a buyer is smaller than the normal sales commission?

13 A That's correct. It's not a -- he's not going to
14 make a serious sales effort. I mentioned some names to him of
15 people that could be interested.

16 MR. WARD: Your Honor, I have, I have no further
17 questions.

18 MR. NEELY: May I have just a few moments, Your
19 Honor?

20 JUDGE FRYSIAK: Sure. Let's take a five minute
21 recess.

22 MR. NEELY: Thank you.

23 (Off the record from 2:59 p.m. to 3:06 p.m.)

24 JUDGE FRYSIAK: Back on the record.

25 EXAMINATION

1 BY JUDGE FRYSIAK:

2 Q Before Mr. Neely goes into his redirect, I have one
3 area I wanted to question you on, Mr. Linder, and that is the
4 claim made by Sample Broadcasting for minority participation.
5 I wonder if you could explain to me what your understanding is
6 of the basis of that claim?

7 A Her basis of being a minority?

8 Q Yes. What do you understand?

9 A Well, I understand there's some credits given for
10 people that are non-white Caucasians which would include
11 Hispanics.

12 Q I mean what is the basis of Carmella's claim that
13 she is a member of a minority class?

14 A Oh, I think her mother is Mexican, born in Mexico.
15 I believe Carmella lived for many years in Mexico and I know
16 that when we had our talks she talks about enjoying the
17 Spanish -- Mexican culture. She talks about wanting to go to
18 Spain, for instance, and meet with the folk and all of those
19 things, and that's --

20 Q That's the full extent of your understanding?

21 A Of her Hispanic culture? I mean, I could go into a
22 little more detail, but that's -- I don't have any knowledge
23 in depth about Hispanic culture myself.

24 Q I just wanted to know what your understanding is of
25 her claim.

1 A That's it.

2 Q All right.

3 JUDGE FRYSIK: You may have your redirect.

4 MR. NEELY: Thank you, Your Honor.

5 REDIRECT EXAMINATION

6 BY MR. NEELY:

7 Q Mr. Linder, Mr. Ward was asking you some, some
8 questions about competition when new stations move into the
9 marketplace. Have you had any -- a chance to observe a
10 situation where a new station was in the marketplace?

11 A Yes. In Mankato there's been other stations coming
12 into the market.

13 Q And would you describe briefly how these stations
14 have affected the relationship between stations or competition
15 as you see it?

16 A Well, ironically it seems as often as not new
17 stations stimulate interest in radio. They may come in with a
18 bunch of promotions and energize the radio dial and you may
19 find it easier to sell other people, people that have radio
20 stations, to sell advertising to firms because they're
21 thinking more radio and less newspaper and T.V. In Mankato a
22 new station came into the market and I know that my father's

1 market they switched formats and their sales went up 19
2 percent.

3 Q When you say us and we, what are you referring to?

4 A I'm referring to Eddyville, KKSI.

5 Q Olde Towne Communications?

6 A Olde Towne Communications.

7 MR. NEELY: I have no further questions of this
8 witness.

9 MR. WARD: Nor do I, Your Honor.

10 JUDGE FRYSIK: Okay. Thank you very much, Mr.
11 Linder. You are excused.

12 (Whereupon, the witness was excused at 3:10 p.m.)

13 MR. MILLER: That concludes Sample's case, Your
14 Honor.

15 JUDGE FRYSIK: Okay. Thank you very much. There
16 is nothing further for our consideration except to set
17 procedural dates for the filing of -- findings and replies, 45
18 days, August 16th. Is that all right for findings?

19 MR. WARD: That's fine with me, Your Honor. During
20 our last recess Mr. Miller was -- we were discussing this, I
21 think, and he was indicating some problems, but I'll let him
22 speak to that.

23 MR. MILLER: Well, I have plans to be out of the
24 country from the 10th to about the 19th or 20th, but we could
25 have them done before and Mr. Neely can finish polishing it

1 up, so we can go with the 16th.

2 JUDGE FRYSIAK: It's all right?

3 MR. MILLER: Yes, sir.

4 JUDGE FRYSIAK: And September 3rd for replies?

5 MR. NEELY: Is that the Labor Day weekend, Your
6 Honor?

7 JUDGE FRYSIAK: That's the weekend before Labor Day.
8 You want it before or after the weekend?

9 MR. NEELY: I would suggest after.

10 JUDGE FRYSIAK: All right.

11 MR. NEELY: Can you do it September 7th?

12 JUDGE FRYSIAK: Huh?

1 MR. MILLER: All right.

2 JUDGE FRYSIK: All right. If there's nothing
3 further, I'll close the record and await your proposed
4 findings and replies. Thank you very much for your
5 cooperation.

6 MR. NEELY: Thank you, Your Honor.

7 MR. WARD: Thank you, Your Honor.

8 (Whereupon, the hearing was adjourned at 3:13 p.m.).
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CERTIFICATE OF REPORTER, TRANSCRIBER, AND PROOFREADER

APPLICATIONS FOR FM STATION IN ELDON, IOWA

Name

MM DOCKET NO. 92-316

Docket No.

WASHINGTON, D.C.

Place

JUNE 23, 1993

Date

We, the undersigned, do hereby certify that the foregoing pages, numbers 213 through 346, inclusive, are the true, accurate and complete transcript prepared from the reporting by JEFFREY M. YEATMAN in attendance at the above identified proceeding, in accordance with applicable provisions of the current Federal Communications Commission's professional verbatim reporting and transcription Statement of Work and have verified the accuracy of the transcript by (1) comparing the typewritten transcript against the reporting or recording accomplished at the proceeding and (2) comparing the final proofed typewritten transcript against the reporting or recording accomplished at the proceeding.

July 2, 1993

Date

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July 6, 1993

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